

## Nadler Statement on Status of World Trade Center Redevelopment

Wednesday, 15 March 2006

NEW YORK &ndash; Congressman Jerrold Nadler released the following statement today on the status of redevelopment efforts in Lower Manhattan:

"It has been more than 4 years since the tragic events of September 11, 2001, and while we have made progress, the current pace of redevelopment is far too slow. We have a sacred trust to the American People to rebuild Lower Manhattan quickly, competently, and responsibly. By any objective measure, we are failing that trust.

"Restoring the World Trade Center site to vibrant, dynamic life around a powerful and unforgettable memorial as swiftly as possible would be the single greatest tribute to those we lost on that terrible, late Summer morning. Unfortunately, over the past year, the rebuilding effort appears to have gone badly off track.

"First, critical elements of the Master Plan for the WTC site, prepared after countless planning meetings and exhaustive public review and input, have already been altered because of missteps and unilateral decisions. This latest dust-up between the Mayor, Silverstein Properties, and the Port Authority has unfortunately become the rule rather than the exception in the rebuilding process.

"While he has no direct control over the site, given the importance of Lower Manhattan to the City's economic vitality, it is completely appropriate for Mayor Bloomberg to raise any concerns he might have about the underlying financial health of the redevelopment. The Mayor contends that the numbers simply do not add up and that, based on his analysis of the economics of the Master Plan, Silverstein Properties will be forced to walk away from the project before it is completed. Mr. Silverstein, understandably, disagrees with this analysis. This disagreement ultimately boils down to whether the outlook for commercial real estate in Lower Manhattan justifies a \$7 billion dollar investment in four new office towers.

"No one, not Mr. Silverstein nor the Mayor, has a crystal ball which will allow them to predict the state of the commercial real estate market in the year 2011. According to an analysis by the City's Independent Budget Office, requested by Borough President Scott Stringer and only released this week, there are 'reasons to be optimistic concerning the downtown office market' but that the pace of construction at the World Trade Center and other development sites around the City will greatly influence the outcome. Thus, as the City Council, the Port Authority and other public agencies continue to conduct oversight to ensure that the redevelopment process is on sound financial footing, we must continue to move forward.

"While it is unfortunate that the Port Authority and Silverstein Properties could not come to an accommodation about the pace of rebuilding and the financial concerns raised by the City in the 90 day time period set forth by the Governor, this does not mean that either side should walk away from the table. Such behavior further undermines the public's confidence in a process already fraught with lawsuits, political conflicts, and competing priorities.

"We need to return to first principles here. Rebuilding Lower Manhattan is a symbol of our national resilience, determination, ingenuity, and creativity. Allowing the effort to become mired in dueling financial analyses, political brinksmanship, and legal wrangling is unacceptable. Further delay is unacceptable.

"Instead of focusing on what divides us, we should concentrate on what unites us.

"It is clear that all the key players — the Mayor, the Governor, Mr. Silverstein, the Port Authority, and the Lower Manhattan Development Corporation — have agreed that it is necessary to accelerate the redevelopment timetable. This will necessitate the parallel design and construction of the various elements of the Master Plan. Whatever institutions or developers are ultimately responsible for particular elements, there are threshold actions that can and should be taken right now. In particular, the Port Authority should immediately begin any below-grade construction necessary for the accelerated redevelopment of the site.

"All available financial resources must be used to support this effort in the most efficient and effective manner possible. For example, as part of the broader \$20 billion federal aid package to assist in New York City's recovery, Congress approved the \$8 billion Liberty Bond program, which provided tax-exempt financing for commercial and residential development to help the City recover and rebuild. More than \$4.5 billion in Liberty Bonds have already been used to support various residential and commercial projects in Lower Manhattan and across the City. The Mayor and Governor should formally commit the remaining funds to rebuilding Ground Zero without further delay.

"And we should be careful not to sacrifice quality on the altar of haste. Seven World Trade Center, already the safest building in the country, was also recognized last week as one of the greenest. The speed with which this building was restored to New York City's skyline, combined with its innovative design, illustrates what can and should be done with respect to the entire site. This building makes clear that it is possible to rebuild quickly and responsibly without sacrificing architectural excellence and innovation.

"In closing, Lower Manhattan is not just a world famous destination and financial center, it is a place where people live, work, play, and learn. In short, it is a neighborhood. As such, we must ensure that we do not lose sight of the critical cultural and commercial dimensions of the Master Plan. We must restore street-level retail to the area as quickly as possible. We must ensure that the planned Performing Arts complex and other cultural amenities do not keep sliding down real or unspoken priority lists.

"Ultimately, the true measure of success for the redevelopment of the 16-acre World Trade Center site must be how quickly the area regains the vibrant character that made it one of the City's, indeed the world's, premiere crossroads and economic hubs. New York City and the nation deserve nothing less."

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